LRB-3898/1 JK:lmk:jf

## **2005 SENATE BILL 400**

October 21, 2005 – Introduced by Senators Grothman and Plale, cosponsored by Representatives Gottlieb and Honadel. Referred to Committee on Energy, Utilities and Information Technology.

- 1 AN ACT to renumber and amend 196.20 (7) (c); and to create 196.20 (7) (c) 2.
- of the statutes; **relating to:** mitigation payment agreements.

### Analysis by the Legislative Reference Bureau

Under current law, the Public Service Commission (PSC) may only approve a mitigation payment agreement that it received before June 10, 2003, and, if the PSC found the agreement to be reasonable, may not modify the agreement. A mitigation payment is, generally, an amount that a public utility pays to a community where a power production plant is located to mitigate the effects of the plant on the community.

Under this bill, if the PSC receives a mitigation payment agreement before June 10, 2003, and does not determine that the agreement is unreasonable before November 11, 2003, mitigation payments in accordance with the terms of the agreement are recoverable in rates charged to consumers.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- **Section 1.** 196.20 (7) (c) of the statutes is renumbered 196.20 (7) (c) 1. and
- 4 amended to read:

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196.20 (7) (c) 1. The Except as provided in subd. 2., the commission shall only
approve a mitigation payment agreement that is received by the commission before
June 10, 2003, and, if the commission finds the agreement to be reasonable, shall not
subsequently modify the agreement.

**Section 2.** 196.20 (7) (c) 2. of the statutes is created to read:

196.20 (7) (c) 2. If the commission receives a mitigation payment agreement before June 10, 2003, and does not determine that the agreement is unreasonable before November 11, 2003, mitigation payments in accordance with the terms of the agreement shall be recoverable in rates, notwithstanding any subsequent limitations imposed by the commission on the mitigation payments.

### SECTION 3. Initial applicability.

(1) This act applies retroactively to agreements received before June 10, 2003, and to determinations made before the effective date of this subsection.

14 (END)